



2008 FARM BILL: REAL, RELIABLE DISASTER ASSISTANCE FOR AMERICAN FARMERS IN NEED

Currently, American farmers may have to wait years to receive assistance from Congress for agricultural disasters. Farmers need to know that when weather related disasters strike, a dependable safety net exists. The 2008 farm bill conference report includes a trust fund for disaster relief created by the Senate Finance Committee in its farm bill package last fall.

“Farmers deserve a program that provides dependable, equitable relief when disaster strikes, and taxpayers deserve a program that requires farmers to manage their risk through crop insurance. The farm bill meets both those goals with this permanent disaster relief trust fund,” said Senate Finance Committee Chairman Max Baucus (D-Mont.). **“This disaster assistance program is responsive to farmers’ needs, while being responsible with taxpayer dollars.”**

The permanent agricultural disaster assistance trust fund in the final farm bill finances five programs that can comprehensively address agricultural disasters across the nation. The provision requires farmers to purchase crop insurance in order to be eligible for disaster assistance. Payments would be made for crop years after 2007. Programs funded are:

- The **Supplemental Revenue Assistance Program (SURE)** covers crop losses due to natural disasters. To receive benefits from SURE, farmers must: 1) carry crop insurance on their entire farm; and 2) be located in a Secretarially declared disaster county or a contiguous county, or show proof of an individual loss of at least 50 percent. Farmers carrying higher levels of insurance will be eligible for higher payments. The Supplemental Revenue Program covers whole-farm crop losses.
- The **Livestock Forage Program** provides assistance to ranchers in areas affected by drought. These payments are based on the severity of the drought experienced in the rancher’s county. Ranchers in areas with exceptional or extreme droughts will qualify for higher levels of assistance. In order to qualify for assistance, ranchers must be located in a county that is experiencing a severe, extreme or exceptional drought condition based upon the Drought Monitor.
- The **Tree Assistance Program** provides compensation for specialty crop farmers to replant trees and vines that have been destroyed by natural disasters such as hurricanes, freezing rain, or severe temperatures.

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- The **Livestock Indemnity Program** provides compensation to ranchers for livestock that are lost due to disasters such as extreme heat, blizzards, hurricanes, or other conditions. Indemnity payments are 75 percent of the fair market value of the livestock.
- **Emergency Assistance for Livestock, Honeybees, and Farm Raised Fish** is a program that addresses unique disasters not adequately covered by any other program within the Trust Fund. This program will provide assistance for unique or isolated disasters such as floods, tornadoes, hurricanes or Colony Collapse Disorder.

This provision is estimated to cost \$3.807 billion over five years and ten years. The Disaster Trust Fund will be funded through an allocation of tariffs. The transfer of funds to the trust fund will sunset on September 30, 2011.

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